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July 23, 2020

Public Service Commission of South Carolina
Attn: The Honorable Jocelyn Boyd, Chief Clerk/Administrator
101 Executive Center Drive.
Suite 100
Columbia, SC 29210

Re: Application and Petition for Certificate of Public Convenience and Necessity
to Provide Intrastate Telecommunications Services
CLEAR RATE COMMUNICATIONS, INC.

Dear Sir or Ma'am:

Enclosed for filing, please find an original and thirteen (13) copies of the Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services on behalf of Clear Rate Communications, Inc.

Clear Rate Communications, Inc. is requesting confidential treatment of its financial statements, which are required as Exhibit C, and financial projections. Clear Rate Communications, Inc.'s financial statements and projections are highly confidential and proprietary. As such, we respectfully request a Protective Agreement prior to releasing this information.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to me in the enclosed self-addressed, stamped envelope.

If you have any questions in this matter, please do not hesitate to contact me at (248) 556-9522 or by e-mail at mbishop@clearrate.com. Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in blue ink that reads "Michael D. Bishop". The signature is fluid and cursive, with the first name "Michael" being the most prominent.

Michael D. Bishop

Enclosures

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

APPLICATION OF APPLICANT FOR A)	DOCKET NO. _____
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO PROVIDE NON-FACILITIES)	
BASED LOCAL EXCHANGE AND RESOLD)	
LONG DISTANCE TELECOMMUNICATIONS)	
SERVICES AND FOR FLEXIBLE REGULATION)	
OF ITS LOCAL EXCHANGE SERVICES AND)	
ALTERNATIVE REGULATION OF ITS LONG)	
DISTANCE SERVICE OFFERINGS)	

Clear Rate Communications, Inc. (Applicant), by undersigned counsel, pursuant to S.C. Code Ann. §58-9-280(B), as amended, and Section 253 of the Telecommunications Act of 1996, respectfully submits this Application for Authority to Provide Non-Facilities Based Local Exchange Service and Resold Long Distance Service within the State of South Carolina. In addition, Applicant requests that the Commission regulate its local telecommunications services in accordance with the principles and procedures established for flexible regulation in Order No. 98-165 in Docket No. 97-467-C. Pursuant to S.C. Code Ann. §58-9-585 and the general regulatory authority of the Commission, the Applicant also requests that the Commission regulate its long distance service offerings as described below in accordance with the principles and procedures established for alternative regulation in Orders No. 95-1734 and 96-55 in Docket No. 95-661-C, and as modified by Order No. 2001-997 in Docket No. 2000-407-C.

Applicant is a Competitive Local Exchange Carrier (CLEC) and proposes to offer non-facilities-based local exchange telecommunications services to customers throughout the state using unbundled network element platforms. Applicant's primary markets are residential and small/medium size business customers. Applicant intends to provide local exchange services, custom calling and CLASS features and bundled services such as local and long distance services in a combined package. In addition, the Applicant will provide to its Customers additional custom calling and class features, access to emergency call services (e.g. 911), directory assistance and other ancillary services.

Applicant also proposes to offer resold inbound and outbound interexchange telecommunications services and operator-assisted services to its presubscribed Customers.

All services are available twenty-four (24) hours per day, seven (7) days a week. The Applicant will commence offering service following the granting of this application.

Approval of this application will promote the public interest by increasing the level of competition within South Carolina. This competition will mandate that all exchange telecommunications providers will operate more efficiently, enabling the consumer to benefit via reduced rates.

In support of this Application, Applicant respectfully includes the following:

1. The name and address of the Applicant are:

Clear Rate Communications, Inc.
2600 W. Big Beaver Rd. Suite 450
Troy, MI. 48084
Telephone: 248.556.9522
Facsimile: 877.877.5225
Toll Free: 877.877.4799
Website: www.clearrate.com

2. All correspondence, notices, inquiries and other communications regarding this application should be sent to:

Michael D. Bishop, ESQ.
General Counsel
Clear Rate Communications, Inc.
2600 W. Big Beaver Rd. Suite 450
Troy, Mi. 48084
Telephone: 248.558.9522
Facsimile: 877.877.5225
Email: mbishop@clearrate.com

3. Contact person regarding ongoing operations of the Applicant is:

Michael D. Bishop, ESQ.
General Counsel
Clear Rate Communications, Inc.

2600 W. Big Beaver Rd. Suite 450
Troy, Mi. 48084
Telephone: 248.558.9522
Facsimile: 877.87.5225
Email: mbishop@clearrate.com

4. Description of Applicant

Applicant is a private corporation that was incorporated in the state of Michigan on July 3, 2001. Certificates of Incorporation and Authority to Transact Business in the State of South Carolina are attached hereto as Exhibit A.

5. Officers and Directors and Legal Counsel

See Exhibit B

6. Customer Service

Applicant understands the importance of effective customer service for local and long distance service consumers. Applicant has made arrangements for its customers to call the Applicant at its toll-free customer service number, 877-877-4799. In addition, Customers may contact the Applicant in writing at the headquarters address and via e-mail at info@clearrate.com. The toll-free number will be printed on the customers' monthly billing statements.

7. Financial Ability

Applicant has sufficient financial resources to operate in South Carolina. In support of the Applicant's financial ability to provide the proposed services, the Applicant offers its financial statements in Exhibit C.

8. Managerial and Technical Ability

The names and titles of Applicant's key officers are set forth in Exhibit D. The Applicant has the managerial experience in the telecommunications industry that will allow it to be a successful competitive local exchange and toll provider. Applicant's operations will be directed by its existing corporate management, technical, and operations staff responsible for the telecommunications operations of Applicant. Officers may be contacted at Applicant's principal place of business as herein provided. Neither Applicant nor any of its officers, directors, managers, has been or are currently the subject of any civil or criminal proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency that could adversely affect Applicant's ability to provide telecommunications services in South Carolina.

9. Proposed Service Territory

Applicant proposes to offer non-facilities-based local exchange service and resold long distance service. Local exchange service and long distance service will be offered throughout the State of South Carolina. Exhibit E contains the proposed Local and Interexchange Tariff and Exhibit F contains the proposed Access Tariff of Applicant.

10. Public Interest and Need

Approval of this application and Applicant's proposed tariffs will serve the public interest and offer several benefits to consumers in South Carolina. First and foremost, Applicant will offer its Customers the ability to have seamless service for local services as well as intrastate, interstate and international toll services.

The granting of Applicant's application is consistent with S.C. Code Ann. §58-9-280(B), as amended by 1996 Act No. 354, and, in that regard Applicant makes the following representations to the Commission:

- A. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- B. The provision of local service by Applicant will not adversely impact the availability of affordable local exchange service;
- C. Applicant's local services will meet the service standards required by the Commission;
- D. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- E. The provision of local service by Applicant will not adversely impact the public interest.

Applicant's entry into the local market will not disadvantage any telephone service providers. Incumbent LEC's are presently serving nearly all of the local exchange customers in South Carolina. The history of telecommunications competition has demonstrated that as new entrants improved the price performance of service, consumers benefited from a wider choice of service and options. The resulting reduced rates that competitive pressures brought to the market stimulated demand, resulting in growing revenues for both new entrants and established businesses. Applicant expects that this same market force to affect local service over time, thus creating a larger market for all carriers. Therefore, the approval of Applicant's application is clearly in the public interest.

11. Waivers and Regulatory Compliance

Applicant requests that the Commission grant it a waiver of those regulatory requirements inapplicable to competitive local service providers. Such rules are not appropriate for competitive providers and constitute an economic barrier to entry into the local exchange market.

- A. Applicant requests that it be exempt from any financial recording rules or regulations that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). As a competitive provider, Applicant currently maintains its books and records in accordance with Generally Accepted Accounting Principles ("GAAP"). GAAP is used extensively by interexchange carriers. Since Applicant utilizes GAAP, the Commission will have a reliable method by which to evaluate Applicant's operations. Therefore, Applicant requests to be exempt from any and all USOA requirements of the Commission.
- B. In addition, Applicant requests a waiver of S.C. Reg. 103-610, and to be allowed to maintain its books and records at its headquarters location in Troy, Michigan. In the event that the Commission finds it necessary to review Applicant's books, this information will be provided upon request to the Commission or Applicant will bear the expense of travel for the Commission staff to examine the books and records located outside of South Carolina.
- C. Applicant requests that it not be required to publish local exchange directories. Applicant will make arrangements with the incumbent LECs whereby the names of Applicant's Customers will be included in the directories published by the incumbent LECs. These directories will be distributed to Applicant's Customers. This approach is entirely reasonable and will have a direct benefit to the customers of both Applicant and the incumbent LECs since customers will have to refer to only one directory for a universal listing of customer information. It would be an unnecessary burden on the Applicant to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for Applicant to simply include its Customer list in the existing directories of the incumbent LECs.
- D. Applicant finally requests waivers of any reporting requirements which are not applicable to competitive providers such as Applicant because such requirements (a) are not consistent with the demands of the competitive market; or (b) they constitute an undue burden on a competitive provider, thereby requiring an ineffective allocation of resources.

Applicant reserves the right to seek any regulatory waivers which may be required for Applicant to compete effectively within the states' local exchange and resale market.

12. Flexible Regulation of Local Exchange Services

In Docket Number 97-467-C, the Commission approved a rate structure that incorporated maximum rate levels with the flexibility for adjustment below the maximum rate levels. The Commission determined that local tariff filings would be presumed valid upon filing, subject to the Commission's right within thirty days to institute an investigation of a tariff filing and that any such tariff filings would be subject to the same monitoring process as similarly situated competitive local exchange carriers. Applicant submits that, as a local exchange competitor, it should be subject to regulatory constraints no greater than those imposed in the above mentioned docket. The Applicant requests that its local exchange service tariff filings be regulated under this form of flexible regulation.

13. Alternative Regulation of Business Service Offerings

In Docket No. 95-661-C in response to a Petition for Alternative Regulation by AT&T Communications of the Southern States, the Commission determined that there was sufficient competition in the market for interexchange telecommunication services to justify a relaxation in the manner in which AT&T was regulated. The Commission determined that AT&T was not required to file maximum rates for long distance business service offerings and that its tariffs be presumed valid upon filing, subject to the Commission's right within seven days to institute an investigation of the tariff filing. Applicant submits that as a competitor of AT&T in the market for providing telecommunication services to customers, it should be subject to no regulatory constraints greater than those imposed on AT&T. Applicant requests that its interexchange business services offerings described in its proposed tariff be regulated under this form of relaxed regulation.

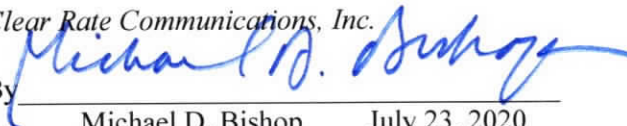
This Application demonstrates that Applicant has the technical, financial and managerial resources to provide non-facilities-based and resold local exchange service and resold-based long distance service within South Carolina. The granting of this Application will promote the public interest by increasing the level of competition in the telecommunications markets of the state. Competition of this nature will mandate that all local telecommunications providers will operate more efficiently and improve the overall service quality for consumers.

Approval of the Application of Applicant will serve the public interest by offering consumers throughout the State of South Carolina a meaningful quality service option. Approval of this Application will also benefit consumers by creating greater competition in the interexchange and local marketplace. Competition in the telecommunications marketplace inspires innovation and development of services that meet customer needs.

Wherefore, Applicant respectfully petitions this Commission for authority to operate as a non-facilities-based provider of local exchange service and a reseller of long distance telecommunications services in the State of South Carolina in accordance with this Application, for flexible regulatory treatment of its local exchange services, for alternative regulation of its long distance business service offerings, and for such other relief as it deems necessary and appropriate.

Clear Rate Communications, Inc.

By



Michael D. Bishop July 23, 2020

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